Remarks Following a Cabinet Meeting and an Exchange With Reporters February 7, 2005

The President. This is my first Cabinet meeting of the year 2005. I welcomed new members of our Cabinet to the table and congratulated them on their confirmations. Today we discussed a lot of issues. I reminded them that the war on terror goes on, that—but mainly discussed the issue of the budget.

We're submitting our budget today. OMB Director Josh Bolten will be presenting the budget at noon. It is a budget that sets priorities. Our priorities are winning the war on terror, protecting our homeland, growing our economy. It's a budget that focuses on results. The tax-payers of America don't want us spending their money on something that's not achieving results.

It's a budget that reduces and eliminates redundancy. It's a budget that is a lean budget. People on both sides of the aisle have called upon the administration to submit a budget that helps meet our obligations of—our goal of reducing the deficit in half over a 5-year period, and this budget does just that. Discretionary spending is—will increase at a rate less than inflation. Plus, we've begun some reforms on the mandatory side. Congress needs to look at this budget, and Congress needs to act on this budget in a fiscally responsible way.

I'll be glad to answer some questions. Terry [Terence Hunt, Associated Press].

Visits by Israeli and Palestinian Leaders

Q. Mr. President, what do you hope to accomplish by inviting Prime Minister Sharon and President Abbas to Washington separately? And why do you think there's a better chance of success now, than early effort—earlier efforts like the Red Sea summit?

The President. First of all, Prime Minister [President] * Abbas comes to the table with a mandate from a lot of Palestinians. He has been through an election. He was endorsed by the Palestinian people.

Secondly, any meeting is part of a process, because in order to achieve the objective of two states living side by side in peace, there needs to be a level of trust between all parties—"all parties" being, obviously, Israel and the Palestinians but trust with the United States, trust with the United Nations, trust with Europe, trust with the parties who are going to be investing in a Palestinian state, for example. And so what you're watching is a process unfolding, where people are becoming more trustworthy.

I have been impressed by Prime Minister [President] * Abbas's commitment to fighting off terror. I've been impressed by what he is—his public statements. I've also been impressed by the fact that Israel helped the Palestinians have an election, went out of their way to make sure that people were allowed to go to the polls. And the meetings just indicate that there's more work to be done, and I look forward to meeting with them.

Steve [Steve Holland, Reuters].

Fiscal Year 2006 Budget

Q. Thank you, sir. How hard is it going to be to get Congress to go along with your budget when it cuts some popular programs that Congress has refused to go along with in the past?

The President. Well, that's a great question. I look forward to explaining to the American people why we made some of the requests that we made in our budget. I fully understand that sometimes it's hard to eliminate a program that sounds good.

^{*} White House correction.

But by getting people to focus on results— I was saying to Members of Congress, "Show us the results as to whether or not this program is working"—I think we'll get a pretty good response.

I will tell you, we go into this process upbeat because we've worked closely with the Congress the last four budget cycles. And the Congress appropriators—Congress and the appropriators met our budget requests. I mean, there's a collaborative effort. We've had a history of being successful in terms of passing good, strong budgets, and so I'm very optimistic that we can do so again this year. Josh Bolten will be up, outlining the budget, our Cabinet Secretaries will be talking about certain aspects of their respective budgets, and I think people will see that it's a commonsense approach to the budgets.

April [April Ryan, American Urban Radio Networks].

Q. Yes, Mr. President. I'm ready, too. [Laughter]

The President. Did somebody tip you off that I might call upon you, or is it just—

Q. I've been watching you lately. [Laughter]

The President. All right. [Laughter]

Q. First of all, you're talking about equality and keeping everything on a level playing field for everyone. Many people are saying that this budget proposal is not even. You're cutting out many programs for the disadvantaged. And also, what was one of the main programs that you cut that you really had a hard time in cutting as you

looked at things that were copies of another?

The President. I'm going to let Josh answer the degree-of-difficulty question because we've—we're asking for Congress to cut and/or reduce 150 different programs. The important question that needs to be asked for all constituencies is whether or not the programs achieve a certain result. Have we set goals, and are those goals being met? And the poor and disadvantaged absolutely ought to be asking that question too. In other words, what is the goal of a particular program? And if that goal isn't being met, the question ought to be asked, why isn't the goal being met?

And that's the questions we've been asking. And after a while, we get tired of asking that question. So, finally, it is to take resources and direct them to programs that are working. And that's what you'll find in the education budgets and the health budgets, for example. And those are very legitimate questions, and the people deserve to have them answered, which this administration will answer in a forthright fashion.

Thank you all for coming.

NOTE: The President spoke at 11:15 a.m. in the Cabinet Room at the White House. In his remarks, he referred to President Mahmoud Abbas (Abu Mazen) of the Palestinian Authority. A reporter referred to Prime Minister Ariel Sharon of Israel. The Office of the Press Secretary also released a Spanish language transcript of these remarks.

Remarks to the Detroit Economic Club in Detroit, Michigan February 8, 2005

Thank you all. Please be seated. I've seen head tables before—[laughter]—I've never seen one quite so long. [Laughter] Thanks for having me. It's great to be back in Detroit. You know, we're only a few weeks

into the New Year, but at the White House we've already had a lot of excitement. There was the Inauguration. Then we had Iraqi elections and then a visit from a